

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED  
LIMITED B  
GATT/CP/56  
28 March 1950  
ORIGINAL: ENGLISH

CONTRACTING PARTIES  
Fourth Session

SCHEDULE XX - UNITED STATES

Request for a temporary Modification in Second  
Item 771 of Part I of Schedule XX

In Part I of the United States Schedule (Schedule XX) the import duty on white or Irish potatoes, other than certified seed potatoes, is bound at the reduced rate of \$0.375 per hundred pounds for quantities imported during any twelve-month period beginning September 15 and not in excess of a stated tariff quota. The tariff quota is one-million bushels (of 60 pounds each) plus a quantity equal to the amount by which the production in a calendar year of white or Irish potatoes (including seed potatoes) in the United States is less than 350 million bushels according to the September 1 crop estimate of the United States Department of Agriculture. The Part I rate for such potatoes imported in excess of the tariff quota is bound at \$0.75.

At the time this concession was negotiated it was generally assumed that the United States demand for potatoes normally would not be less than 350 million bushels and that imports would be needed to supplement U.S. production of potatoes in order to meet the domestic requirements. This calculation has turned out to be at least temporarily in error, and domestic demand in the United States is now substantially below that figure. Under these circumstances, the United States Department of Agriculture finds it necessary to reduce domestic production goals for the current year to an amount not in excess of 335 million bushels. In view of the provisions of this item in Part I of Schedule XX, any reduction of domestic production below 350 million bushels brought about by reduced goals would result in an equivalent increase of the import quota to which the reduced duty applies. Increased potato imports, thus encouraged, would frustrate the proposed reduction in those goals.

The United States Government has discussed this situation with the Government of Canada, with whom this concession in Schedule XX was negotiated at Geneva, and now requests that the Contracting Parties take action under Paragraph 5 of Article XXV of the Agreement to waive the requirements of Schedule XX to the extent necessary to permit the United States to change the amount referred to in the second proviso to Paragraph 771 of Part I of Schedule XX from 350 to 335 million bushels for the twelve-month period beginning on September 15, 1950.

The Contracting Parties should note that the only other important supplier of potatoes to the United States is Cuba. Imports of potatoes from Cuba are not counted in the calculation of the quota referred to in Part I. Cuba is entitled under Part II to a seasonal preferential rate of \$0.30 per hundred pounds.

